BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

In the matter of

CC Docket No. 95-116
Telephone Number Portability

COMMENTS OF CENTENNIAL COMMUNICATIONS CORP.

Centennial Communications Corp. ("Centennial") submits these comments in response to the Further Notice of Proposed Rulemaking issued in this matter on November 10, 2003. Centennial's comments are focused on paragraphs 41-44 regarding supposed technical problems for wireline carriers in implementing wireless-to-wireline porting. As an overview, Centennial is highly skeptical that any such problems actually exist, and expects to file more extensive reply comments if wireline carriers claim that they do.

Centennial submits that the Commission has already reached the correct conclusion on this issue in Paragraph 28 of the same order that contains the *Further Notice*: "[C]alls to the ported number will continue to be rated in the same fashion as they were prior to the port." Centennial is aware of no technical, economic, or regulatory reason to change this result.

As Centennial understands it, wireline carriers decide whether to bill a call as toll or not based on a comparison of the originating and terminating NPA-NXX. If the called NPA-NXX is included within the originating caller's "local" rate plan, the call is billed as local; otherwise, the customer will (typically) have to dial a "1" before the called number in order for the call to go

In the Matter of Telephone Number Portability *Memorandum Opinion and Order and Further Notice of Proposed Rulemaking*, CC Docket No. 95-116, FCC 03-284 (rel. November 10, 2003) at ¶¶ 41-51 ("Further Notice"). See also In the Matter of Telephone Number Portability, Order, CC Docket No. 95-116, DA 03-4059 (rel. December 22, 2003) (extending time to comment).

through, and the call will be billed as toll.²

In the case of a wireline-to-wireless call (putting aside porting for a moment), determining which calls are rated as toll will be a matter for the two carriers to work out in their interconnection agreement.³ At the same time, the question of which wireline-originated calls to which NPA-NXXs are rated as toll is, generally speaking, one for state regulators. So it is not clear to Centennial that this Commission even has jurisdiction with respect to the *rating* of most calls to ported numbers (on the assumption that the overwhelming majority of such calls will be jurisdictionally intrastate).⁴

That said, the issues raised by the *Further Notice* would arise where a wireless customer ports his or her number to a landline location that is within the wireless carrier's serving area, but where the NPA-NXX of the wireless number is associated in the Local Exchange Routing Guide (LERG) and other industry documents with a physical location (a set of "Vertical & Horizontal"

Centennial recognizes that traditionally, wireline carriers have tried to match up NPA-NXXs with physical locations, so that a call's status as toll or local can be discussed, in shorthand, based on the locations of the called and calling party. But when the question is how billing actually works, what controls (as Centennial understands it) is the calling and called telephone numbers, not either party's actual physical location. On some level, this disconnect between what amounts to wireline carrier's marketing shorthand (explaining the toll/local distinction to customers based on location) and how billing actually works is what underlies the various industry disputes surrounding "virtual FX" and "virtual NXX" arrangements. *Cf. Further Notice* at ¶44 (suggesting VNXX as a possible solution to wireline carriers' supposed problems with wireless-to-wireline porting).

For example, in Puerto Rico, Centennial physically interconnects with the dominant wireline carrier at all host end offices on the island. Consistent with this Commission's rulings, the parties' interconnection agreement defines calls picked up at the wireline carrier's host end offices as "local," for purposes of both retail rating and intercarrier compensation. See Interconnection Between Local Exchange Carriers and Commercial Mobile Radio Service Providers, First Report and Order, 11 FCC Rcd 15499 (1996) ("Local Competition Order") at ¶ 1044 (noting that the "location" of a wireless caller can reasonably be approximated as the point of physical interconnection between the two networks).

Unlike the distinction between "telephone toll service" and "telephone exchange service," which under the Communications Act is based on how a call is *rated*, not on location (*see* note 9, *infra*), the distinction between "interstate" and "intrastate" communications is expressly based on the physical endpoints of a communication. *See* 47 U.S.C. § 153(22). As long as a call to a ported number remains within the boundaries of a state (on an end-to-end basis), it is intrastate, not interstate, in nature.

or "V&H" coordinates, also sometimes referred to as a "rate center") other than the landline location to which the customer wants the calls to be routed. See Further Notice at ¶ 42.

At the outset, Centennial questions how often this problem will really arise. The trend in the industry is towards more, not less, reliance on wireless services, and towards a certain number of customers "cutting the cord" and forgoing wireline service entirely. Yet the issue for comment relates to the opposite situation — someone (presumably) seeking to forgo wireless service while porting the wireless number to a fixed landline phone. It is far from clear to Centennial that this Commission's scarce resources are well spent worrying about this unusual — one might even say hypothetical — problem.⁵

That said, it seems to Centennial that this is a non-issue from a technical perspective. Once a number has been ported, call routing is determined not by the dialed number, but by the local routing number (LRN) associated with it in the number portability database. Even if the dialed number is assigned V&H coordinates for a distant rate center, there is no reason that the wireline carrier would be unable to assign an LRN that would properly route calls to the new, landline location. Centennial will review and respond to any comments that assert that such a *technical* problem — that is, some impediment to assigning an LRN that would cause the call to *route* properly — actually exists.⁶

One can of course imagine scenarios where the issue arises, such as a customer with multiple wireless telephones who wants to keep one primary wireless number and use a secondary wireless number as a (ported) landline number. But the suspicion remains that this is not a real-world issue.

Note that in the normal case under discussion, a wireline caller would dial the ported number, and the wireline carrier's query to the number portability database would reveal that the call does not need to be routed to a wireless carrier at all, but, instead, needs to stay on the wireline carrier's network end-to-end. Routing in these circumstances thus becomes *simpler* than before porting. In the (statistically) unlikely event that the new wireline service is provided by a facilities-based competitive local exchange carrier ("CLEC") or other landline LEC, then instead of routing the call to the wireless carrier, it would route to the point of interconnection ("POI") between the wireline carrier and the other landline LEC — which is no more complicated than the initial situation where the call was routed to the wireless carrier.

A slightly different question arises when the issue is rating calls to ported numbers. Again, as noted above, the Commission has already reached the right answer: "[C]alls to the ported number will continue to be rated in the same fashion as they were prior to the port." That said, as also noted above, it seems that the vast majority of the affected traffic would be jurisdictionally intrastate. The question of which intrastate calls are rated as toll and which are rated as local would seem to be a question for state regulators, not this Commission.⁷

Be that as it may, the issue that seems to concern some wireline carriers is where a "normal" landline call between two physical locations would be rated as a toll call (based on the NPA-NXXs that the wireline carrier would normally assign to customers in those locations), but a call between the same two locations would be rated as a local call if one of the landline customers has a ported-from-wireless number, and rating is based on the ported number.

Centennial seriously questions whether this is or ever will be a significant enough problem in the real world to warrant the Commission's concern. If 10 or 100 or even 100,000 customers nationwide (a) port a wireless number to a landline phone and (b) do so in a location in which they end up receiving some locally-dialed calls that the wireline carriers think "should have" been rated as toll, a fair question is, "so what?" With more than 100,000,000 households in the United States, and roughly 95% of those having telephone service, it is hard to see how even 100,000 such cases — call it 1/10 of 1% of residential lines — would be significant, either competitively or financially, to the wireline carriers. In fact, of course, there is no evidence that this situation has ever occurred at all, much less that it has or ever will grow to affect even this tiny fraction of total telephone lines.

See note 4, supra, and accompanying text.

See 2002 Statistics of Common Carriers, Tables 5.2 and 5.3.

The significance of the problem — both competitively and financially — is further diminished because any supposed "mismatch" between the ported-from-wireless customer's location and the V&H coordinates associated with the ported number's NPA-NXX will work both ways. That is, while some calls that "should" be rated as toll based on the NPA-NXXs normally associated with the customer's physical location will actually be rated as local, at the same time, some calls that "should" be local by the same criterion will be rated as toll, leading to offsetting revenue increases. There is no reason to conclude that the "loss" of toll and access revenues from locally-rated calls that "should" be toll will not be largely offset by a gain of such revenues from calls that "should" be local. On the present record, this slight lack of precision — if that is what it is — does not seem to rise to the level that warrants Commission action.⁹

To the extent, however, that the wireline carriers think that on balance they will lose enough toll and access revenues from these situations to actually worry about it, there are two general approaches to solving the problem. One is for the wireline carriers to modify their billing systems so that the question of "toll" status is based not on the number actually dialed but the LRN, which is in the same 10-digit form as a normal telephone number. This would eliminate the supposed mismatch. Second is for the wireline carriers to quantify the net loss of

Instead, the issue would seem to fall into that category of oddball situations where the normal conventions don't quite apply, with no consequent problems for anybody. The paradigmatic example of this is the "leaky PBX" situation, in which private networks "leak" switched "long distance" calls out into the local network as though they were local calls. Intrastate FX calls are, probably, in the same category, as are optional extended area service calls, where a customer on the optional extended area plan can make "local" calls to locations that are rated as "toll" calls when made by the customer's neighbor who is not on the plan. At bottom, all of these situations illustrate that the division of calls into "toll" and "local" categories is essentially arbitrary, as the text of the Communications Act itself recognizes. See 47 U.S.C. §§ 153(47)-(48) (defining "telephone exchange service," i.e., local service, to include calls between different exchange areas covered by local service charges, and defining "telephone toll service" as calls between different exchange areas for which there is a separate charge — making the status of a call as "toll" or "local" dependent, not on distance or location or rate center, but instead simply on whether there is a toll charge or not).

toll/access revenues and — to the extent that their earnings levels warrant holding onto the revenue — increasing some other intrastate rate or rates to make up the difference. ¹⁰ In either case, this would appear to be a matter for state regulators, not for this Commission.

In sum, Centennial submits (a) that the issue of wireless-to-wireline porting will only arise in a tiny number of cases; (b) that there are no serious technical issues associated with routing calls in those cases; (c) that the financial impact of simply billing such calls on the basis of the dialed telephone number will be *de minimis*, so that result should stand; and (d) if it isn't minimal, the wireline carriers have solutions available to them. Centennial looks forward to reviewing the comments submitted in this matter.

Respectfully submitted,

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January 20, 2004

Evaluating wireline carrier earnings levels is a necessary prerequisite to this step, because if a wireline carrier has sufficient earnings that it can absorb the supposed "loss" without lowering earnings below a reasonable level, there is no reason to view the "lost" revenues as a regulatory problem that needs to be solved. No regulatory principle of which Centennial is aware entitles wireline carriers to "the same level of revenues they are making now" or "the same level of revenues they would make if each and every call were rated exactly as the wireline carriers think it should be." To the contrary, wireline carriers are, in general, entitled to revenues sufficient to allow a reasonable return on prudently invested capital. Of course if, under some state's particular laws, a particular wireline carrier is entitled to obtain revenues on the basis of some other legal standard, that standard would govern.